

Johnson & Johnson

Johnson & Johnson: Global Presence

Global Leader in
Health Care

More than 250
Operating Companies
In 60 Countries

Selling Products in More
Than 175 Countries

116,000 Employees
Worldwide



Johnson & Johnson Family of Companies

- Sixth-largest consumer health care company
- The world's largest and most diverse medical devices and diagnostics company
- The world's fifth-largest biologics company
- The world's eighth-largest pharmaceuticals company

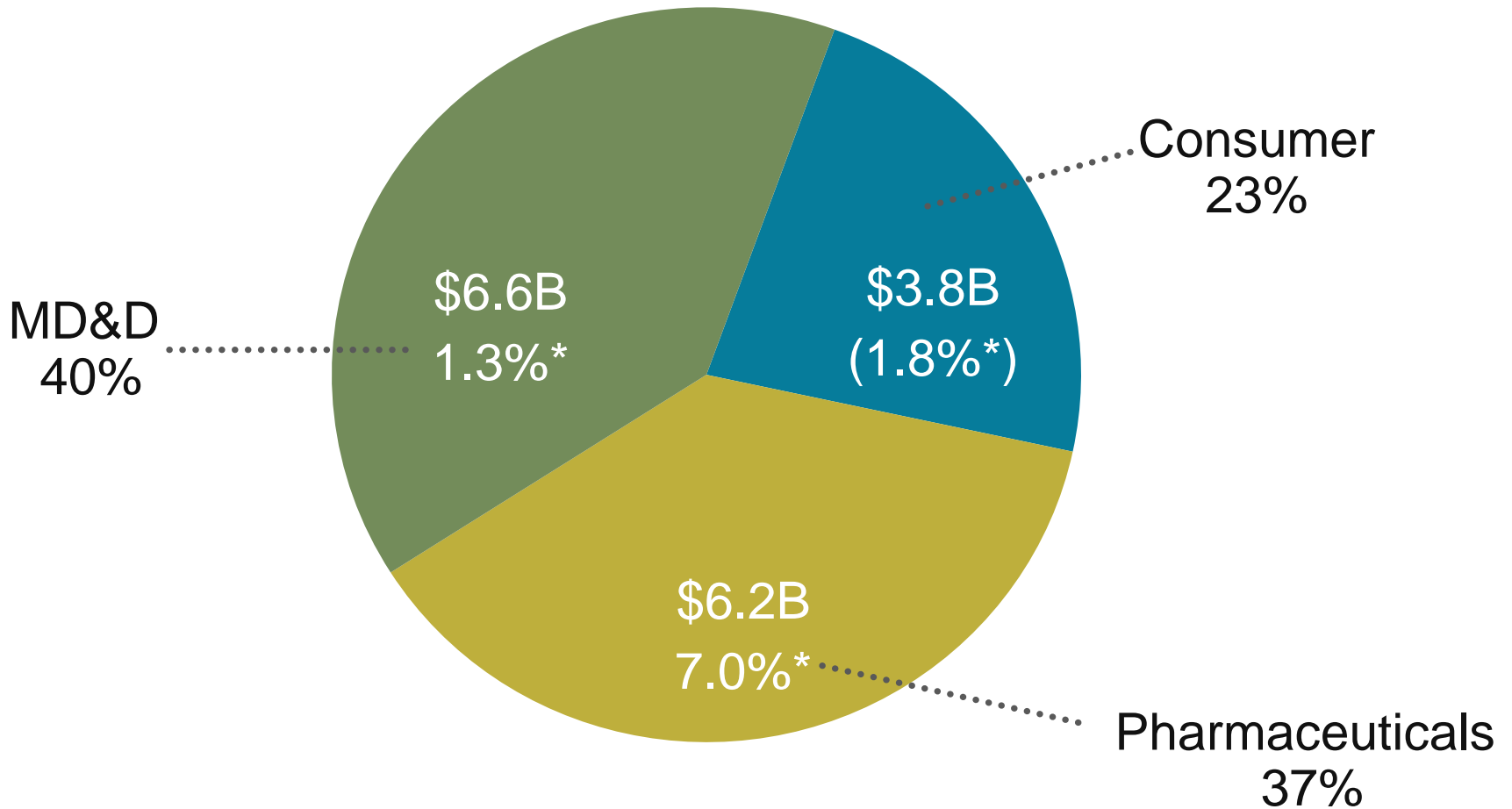


Jesica Harrington

Diagnostic test fueled hope in her fight against cancer

2Q 2011 Sales by Segment

\$ U.S. Billions



*Operational YOY change

2Q 2011 Sales: \$16.6 Billion

Our Consumer Business Segment

- 2010 sales of \$14.6 billion
- Broad portfolio of iconic CPG and OTC brands
- Based on sound science and technology
- Touching a billion lives every day



SKIN CARE



OTC/NUTRITIONALS



BABY CARE



WOUND CARE/OTHER



ORAL CARE



WOMEN'S HEALTH

Our Pharmaceuticals Business Segment

- 2010 sales of \$22.4 billion
- Now unified under the Janssen name
- A well-positioned pipeline
 - Growing demand
 - Emerging markets
 - Unmet needs around the world
- Recent product approvals



Our Medical Devices & Diagnostics Business Segment

- 2010 sales of \$24.6 billion
- The world's largest medical technology business
- Focused on emerging markets and an aging population
- Our most recent acquisition



A premier manufacturer of orthopedic devices



Ortho Clinical Diagnostics
a Johnson-Johnson company

Our Credo

We believe our first responsibility is to the doctors, nurses and patients, to mothers and fathers and all others who use our products and services. In meeting their needs, everything we do must be of high quality. We must constantly strive to reduce our costs in order to maintain reasonable prices. Customers' orders must be serviced promptly and accurately. Our suppliers and distributors must have an opportunity to make a fair profit.

We are responsible to our employees, the men and women who work with us throughout the world. Everyone must be considered as an individual. We must respect their dignity and recognize their merit. They must have a sense of security in their jobs. Compensation must be fair and adequate, and working conditions clean, orderly and safe. We must be mindful of ways to help our employees fulfill their family responsibilities. Employees must feel free to make suggestions and complaints. There must be equal opportunity for employment, development and advancement for those qualified. We must provide competent management, and their actions must be just and ethical.

We are responsible to the communities in which we live and work and to the world community as well. We must be good citizens—support good works and charities and bear our fair share of taxes. We must encourage civic improvements and better health and education. We must maintain in good order the property we are privileged to use, protecting the environment and natural resources.

Our final responsibility is to our stockholders. Business must make a sound profit. We must experiment with new ideas. Research must be carried on, innovative programs developed and mistakes paid for. New equipment must be purchased, new facilities provided and new products launched. Reserves must be created to provide for adverse times. When we operate according to these principles, the stockholders should realize a fair return.



Challenges in the health care supply chain



- **Medication errors** result in additional treatments, disabilities and even loss of life
- **Counterfeiting** is an increasing global threat
- **Traceability** from manufacturer to patient is unworkable
- **Product recalls** can be difficult to manage, in particular for healthcare providers
- A lot of manual interventions in the healthcare **supply chain** decrease its **efficiency and accuracy**

Johnson & Johnson's Perspective

Barcode scanning revolutionized the consumer goods supply chain:

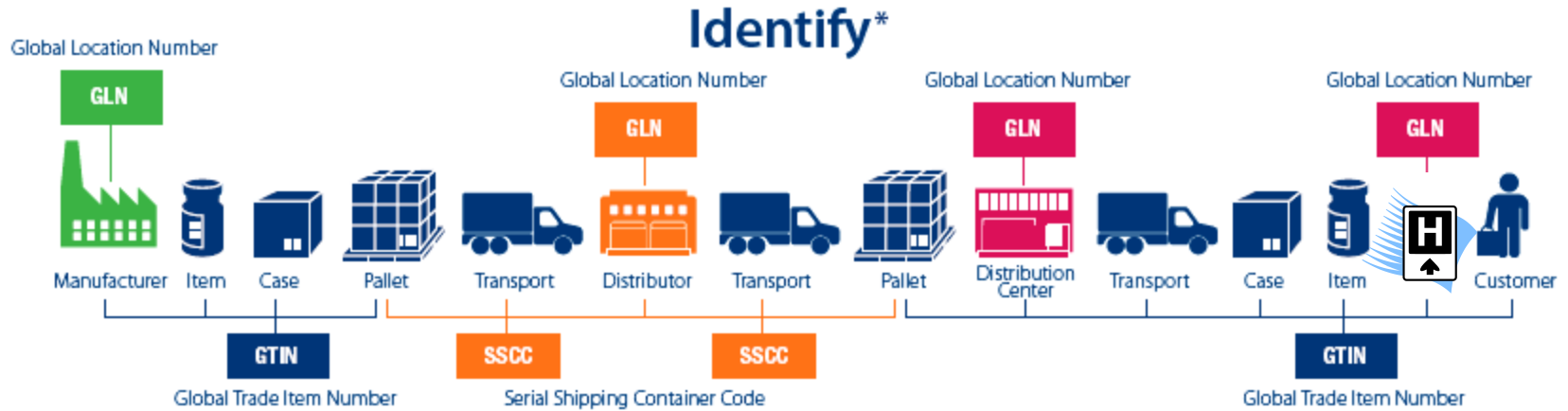
- Reduced stock-outs
- Speeding consumer retail check-out
- Improved accuracy

The health care adoption of GS1 standards can provide many benefits including:

- Increased patient safety
- Improved supply chain efficiency
- Strengthening healthcare supply chain integrity

GS1 standards and actionable visibility

Johnson & Johnson subscribes to this model



Capture

GS1 System Data Carriers
Barcodes and EPC-enabled RFID tags



Share

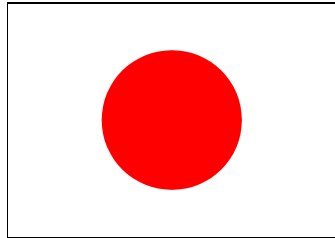
Electronic Commerce Information Flow

Master Data (GDSN) • Transactional Data (eCom) • Physical Event Data (EPCIS)



Increasing regulatory support for standards

- Japan



- China



- India



- Spain

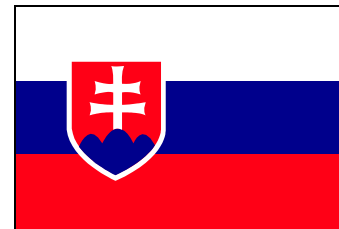
- Columbia

- Thailand

- Brazil



- Slovakia



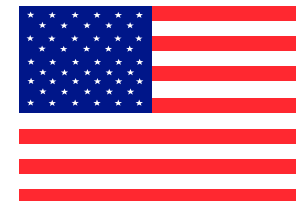
- Turkey



- European Union



- United States



Increasing hospital customer demand for GS1

Examples

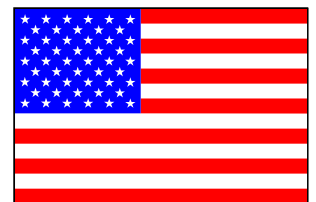
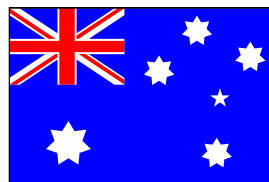
United Kingdom... National Health Service

Australia... National E-Health Transition Authority (NEHTA)

Canada... Ontario Buys Initiative

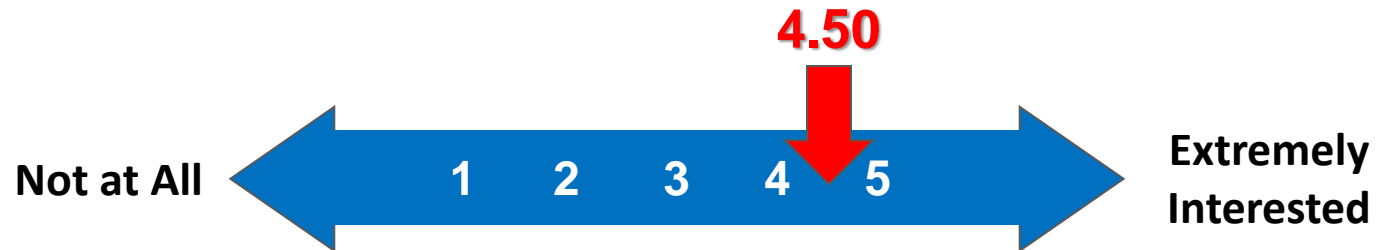
Germany... Sana Kliniken AG, EK-Unico and P.E.G. networks

United States... Healthcare Transformation Group, Mayo Clinic, Geisinger Health System, etc.



Customer expectations

Johnson & Johnson Health Care Systems Inc. conducted a survey of major US-based customers:



Conclusion: Customers moving towards global data standards

"We're going to have one number for each product, so we're going to be able to find products a lot easier. There will be a safety impact. We're going to be able to do data analysis quicker when we compare products, so all the products are going to match. Having one common location number across supply chain partners will make transacting a lot easier, too. Shipments would go to the right place."
- **JJHCS Customer**

n=31

Source: JJHCS 2009 Market Research Initiative

Global standards

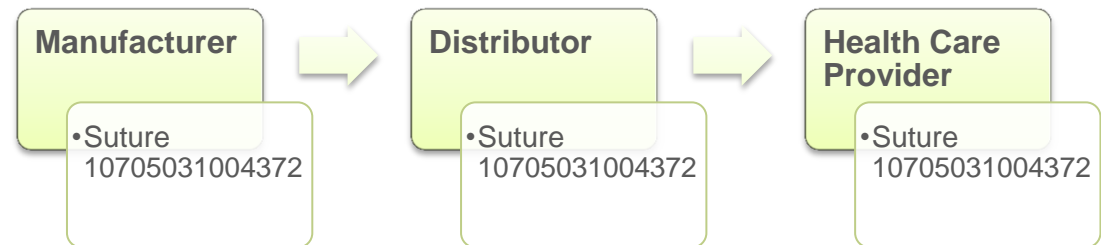
Product identification current and future state

Single product identifier across the supply chain

Current State



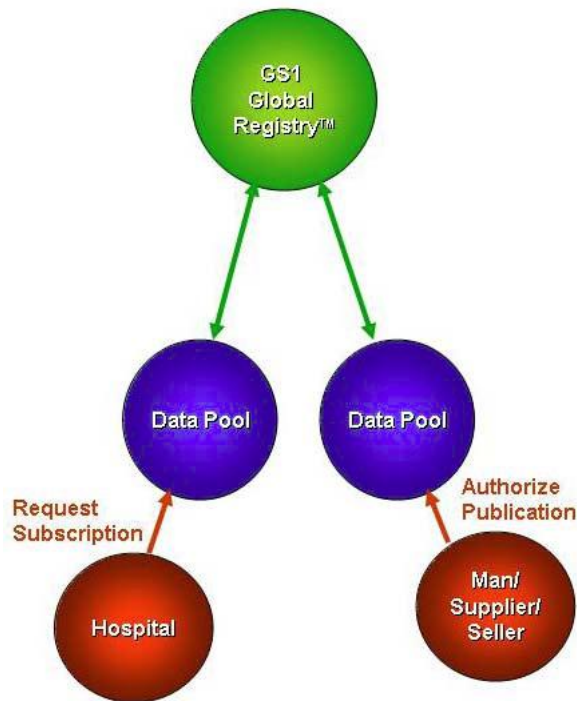
Future State



Johnson & Johnson GS1 Adoption

Global Data Synchronization Network (GDSN)

Sharing master data enables product traceability, strengthens supply chain integrity, and improves supply chain efficiency



Data pool for consumer products



Data pool for medical devices

Johnson & Johnson GS1 standards adoption

Consumer

- GTIN adopted globally, assigned to 100% of products
- Major retailers driving GLN adoption
- GDSN in use
- Select retailers piloted EPC/RFID

Medical Device & Diagnostics

- GS1 labeling migration project underway
 - 100,000+ GTINs
- Harmonizing GLNs with “ready” US customers; investigating ROW
- Initiated GDSN projects
- Targeted EPC/RFID pilots

Pharmaceuticals

- Using GTINs to meet FDA & EU barcode rules
- GLN in limited use
- GDSN interest emerging with GTIN sunrise
- Beginning serialization and compliance with pedigree and track & trace regulations

GS1 BeneLux Health Care Pilot

AZ Sint-Jan Brugge-Oostende AV and Ethicon



Patient To Patient (P2P)
supply chain concept

Migration from HIBCC to GS1 GTIN



7 Billion Reasons to Care



Global Standards Will Benefit
Patients and Consumers Around the Globe

Johnson & Johnson